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What can the design of humanitarian market support interventions learn from inclusive markets thinking?



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All blogs

This blog shares reflections on what humanitarian practitioners can learn from market systems analysis - particularly for the design of market support interventions. This draws on my learning through the Inclusive Markets Institute (IMI) Understanding Markets as Complex Systems course. It would be great to hear your thoughts on how humanitarian market support interventions can be improved!

As a humanitarian livelihoods practitioner, I have welcomed and encouraged the increasing use of market-based programming in humanitarian response. Beyond the continued increase in the use of Cash Transfer Programming (a market-sensitive approach), there is also growth in the use of market support interventions. These directly support market actors, infrastructure, or service providers within market systems, with the primary objective of supporting disaster-affected households to meet their basic needs. This approach has been successful in contributing towards stabilization and reconciliation because people have access to goods and services, and employment is created and supported.

I have myself designed (Nepal), implemented (Haiti) and evaluated (Philippines) market support programmes in sudden onset responses and often been acutely aware of the limitations of a humanitarian lens on market systems, and of how much I personally had to learn from market systems development approaches. Therefore, outside my current role as a **CaLP's** Technical Coordinator (in which I sadly have little real-life exposure to market-based programmes), I joined the

Inclusive Markets Institute (IMI) guinea-pig cohort of practitioners attending the ‘Understanding Markets as Complex Systems’ course.

I would like to share and explore some of the insights and learning from ideas from documented limitations of current humanitarian market support interventions, and provide some personal (and non-exhaustive) reflections on some tips from inclusive market systems analysis (MSA) which could help us address these.

As documented in CRS’ (forthcoming) scoping study (Supporting markets in emergencies), market support interventions have been used across sectors, geographies and contexts. All of these interventions have been driven by market analysis (typically based on humanitarian tools, see [CaLP’s website](#) for the array of tools available), and theoretically all had a primary objective of supporting disaster-affected households to meet their basic needs.

Yet the study highlights: the narrow scope of the market analysis exercises, and the challenges encountered in understanding the complexity of the roles and relationships among market system actors. It also reports that most of the interventions studied took the form of support to traders, with very limited support to market infrastructure, service providers or environmental factors. To begin unpicking this issue, I have addressed two symptoms of the weakness of current market support interventions, and highlighted some quick-wins that MSA can offer.

1. Confusion over programme objectives

“There are no programme descriptions outlining the exact reasoning behind the programmes, their objectives, and the way they were supposed to function. It is thus difficult to understand the exact chain of reasoning.” This quote from a Philippines typhoon evaluation I was engaged in is symptomatic of many market support interventions designed immediately post-shock.

Another constraint is that whilst objectives might be defined at the beginning of a response and/or when proposals are drafted, implementation often starts much later, by which time many market actors have started their own recovery, and initial programme objectives and targeting criteria become redundant (e.g. market support interventions started between February and October 2014, yet with unchanged objectives). A further challenge is linked to the confusion between direct and indirect interventions, particularly when looking at longer-term livelihoods interventions – i.e. are traders being targeted because their own livelihoods need strengthening, or because their livelihood helps provide goods or services for another more needy population.

How can MSA help? To support better definition of programme objectives, my reflection is that root cause analysis, a process promoted in market systems

thinking (see [analyse the root cause](#)) would be of huge benefit. This market systems approach promotes analysis of root causes rather than root symptoms, and the [5-times 'why' rule](#) would be particularly valuable at the initial analysis stage. This approach could help define programme objectives by assessing the situation of the true beneficiaries of your programme – i.e. the customers of the traders to be supported – to determine whether trader support is the key to supporting improved customer access to commodities. The root cause approach can also highlight the complex political economy affecting market systems. For example, ODI's [Markets in Crises: South Sudan](#) case study highlights that traders' overwhelming concern is the power imbalance in access to dollars, and the increase in the dollar exchange rate on the black market, and thus that market support may further entrench these power dynamics.

2. Challenge with targeting and timing

Closely linked to the issue above regarding defining programme objectives, is that of targeting. Recommendations from the CRS study highlight the risk of market distortions linked to humanitarian market support programmes. Ideally therefore, to prevent such distortions, trader support programmes should be considered in the immediate aftermath of a disaster when all traders in a local marketplace are equally affected and can be included in the programme. However, with funding constraints, and the reality of delayed programme implementation, this is not feasible.

So, the question for humanitarians is: how can programme targeting and implementation address the complexity of the roles and relationships among market system actors, including the equity and power dynamics that are at play to support stabilization post crisis? My experience and learning has indicated that rather than explore market relations from an agency-centric perspective (i.e. how can we, as humanitarians, use market to deliver our response), we need to adopt a people-centric perspective (i.e. how are communities using and accessing markets to cover their needs, and how are market dynamics likely to be affected by our proposed intervention).

Learning and analysing

How can MSA help? Integrating a qualitative approach to market analysis is key. Humanitarian market analysis tends to focus a lot on quantitative analysis, often taking a (likely inaccurate) snapshot in time which will be redundant by the time the intervention is actually implemented. My foray into inclusive MSA taught me two valuable lessons: firstly, the value of learning from relationships rather than transactions; secondly, how to better analyse qualitative data.

MSA takes relationships as a starting point. As such, the following process was particularly helpful for me (in the case of some support I offered to the Thai Border Consortium setting up their first CTP, working through camp-based traders):

1. Identify a challenge impeding the movement of goods & services
2. Describe the features of that challenge
3. The crucial step – identify all the actors involved in the challenge, and their relationships
4. Identify what different perspectives each of these actor categories/types can illuminate
5. Design tools to gather feedback from the actor types and groups.
6. Design a research plan to collect the feedback from the actors on what is their experience with the movement of a good or service that is being impeded.

Gathering feedback from the actors gives insight as to why things are not working, and offers the opportunity to programme designers to hear directly from the informants they are going to work with. This may seem time-consuming but I would hazard that it can be far more valuable than the validation of quantitative data which may be flawed from the outset. This will also encourage humanitarian actors to consider if they are better placed to support those resources and relationships, and move beyond cash grants to other forms of support (e.g. addressing the market system and environment).

Qualitative analysis should not equate with subjectivity. As such, I found the **anecdote circle approach** a valuable complement to the classic focus group discussion, in that it provides the space for in-depth analysis of individual perspectives which can be crucial to the identification of programmatic leverage points. Another useful lesson for me was the value that should be accorded to transcripts of focus groups and findings from other market analysis approaches. Too often we distil a rich hour-long discussion into three key findings, yet analysing transcripts systematically allows clear themes to emerge, and the technique of coding (e.g. using colours or fonts) allows one to gather thematic sections together, and then further break these down into sub-themes. The value of such an approach is that it allows a facilitator to lead a review and discussion about the themes and surprises that have emerged from the discussions. Countless reviews of humanitarian market analysis have criticised the lack of feedback to informants, and yet here is a practical and accessible way of doing so.

The reflections above are, for me as a practitioner, a useful starting point for improving the potential of market support interventions in humanitarian contexts. As reported in the CRS paper, a consequence of applying a 'humanitarian targeting approach' (which derives from humanitarian analysis and humanitarian objectives) to market-based programming has been that most of the indirect market

interventions continue to target small traders, thus likely not addressing more systemic challenges that can be so critical to market recovery post-shock. I am convinced that taking lessons from the qualitative analysis methodologies above can be an easy first step in better linking market support and market strengthening initiatives, and influencing long-term systemic change. I would love to hear how other practitioners have adopted MSA thinking in crisis contexts, please comment below.

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